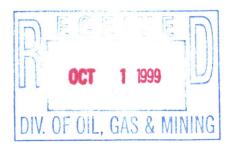




September 29, 1999

Mr. D. Wayne Hedberg Permit Supervisor Minerals Regulatory Program State of Utah Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 P.O. Box 145801 Salt Lake City, UT 84114-5801



Re: Request for Updated Mining and Reclamation Plan and Updated Surface Facilities Map, Uintah County, Asphalt Ridge Mine M/047/022, Crown Asphalt Corporation (Crown) Asphalt Oil Sands Mine, M/047/032, Uintah County, Utah

Dear Mr. Hedberg,

As requested, Crown Asphalt Ridge, L.L.C., is submitting the enclosed proposal for an Asphalt Ridge Reclamation Agreement for your review. This agreement is a proposal and has not been approved or disapproved by Uintah County. A copy has been forwarded to the Uintah County Commission for their review and comments.

Crown feels this is a reasonable approach to coordinate future mining activities that may be conducted by Crown and/or Uintah County, with past mining reclamation activities that are required of Uintah County. We would appreciate any comment DOGM might have on this Plan. The final agreement between Crown and the County will be forwarded to DOGM for approval.

Please feel free to contact me at (801) 537-5610 if you have any questions.

Sincerely,

Jay Mealey

President, Crown Asphalt Corporation Manager, Crown Asphalt Ridge, L.L.C.

Proposed Mining and Reclamation Plan and Updated Surface Facilities Map

Uintah County Asphalt Ridge Mine M/047/022, Crown Asphalt Corporation (Crown) Asphalt Oil Sands Mine, M/047/032, Uintah County, Utah

Prepared For:

State of Utah Division of Oil, Gas, and Mining 1594 West North Temple, Suite 1210 P.O. Box 145801 Salt Lake City, UT 84114-5801

Prepared By:

Crown Asphalt Corporation Manager, Crown Asphalt Ridge, LLC 215 South State St, Suite 650 SLC, UT 84111



Overview

As requested by the State of Utah, Division of Oil, Gas, and Mining (DOGM), the following updated Mining and Reclamation Plan is proposed to establish a Mining and Reclamation Agreement between Crown Asphalt Ridge, LLC (Crown) and Uintah County Corporation (County), for the Asphalt Ridge Oil Sand Mine (Mine) located on leased property owned by Wembco, Inc. (Wembco). Crown intends to continue development of the Mine in Section 31 of the described lease, pursuant to the Notice of Intent to Commence Large Mining Operations for a Tar Sands Mine and Processing Facility (NOI # M/047/032) dated _______.

DOGM has requested that a Mining and Reclamation Plan be prepared to clarify the intent of Crown and the County for the operation and reclamation of the Mine.

Property Description

Crown currently holds the leasehold interest in the following described land:

Township 4 South, Range 21 East
Section 30: S1/2, SE1/4, NW1/4, & SE1/4
Section 31 NE1/4
Uintah County, Utah.

Mining and Reclamation Plan

Crown intends to continue development of the Mine in Section 31 of the above described lease, pursuant to its Notice of Intent. In addition, Crown will maintain haul road access within Section 30 of the lease, between the mining operation and the newly constructed Oil Sands Processing Facility plant as depicted on the enclosed "Section 30 Utilization Drawing". Crown will also maintain access to the area within Section 30 and west of the Processing Facility for the purposes of overburden backfill placement as depicted on the enclosed "Disturbed Areas Backfill Plan".

The drawing entitled "Section 30 & 31 Disturbed Areas" identifies: (i) the boundaries of previously mined county disturbance areas; (ii) the current areas disturbed by Crown's Processing Facility; and (iii) planned future disturbed areas pursuant to Crown's Notice Intent.

Crown plans to utilize overburden and sand processed from future operations to backfill onto the existing county disturbed area identified on the "Disturbed Areas Backfill Plan" drawing as a viable way of storing backfill material and minimizing the current cut left behind by previous mining. However, Crown plans to place this overburden and processed sand only at its option and subject to its needs, which are solely determined by Crown. Crown may discontinue overburden and processed sand placement at any time at its option. Crown and the County agree that Crown will not assume any liability to place any overburden or processed sand in the area previously mined or disturbed by the County or other previous operations. Crown and the County agree that the County is responsible for the reclamation of the disturbed area pursuant to the County's Large Mine Permit (NOI M/047/022). Crown assumes no liability for contouring erosion, silt control, final backfill, final grading, re-vegetation, permitting or remediation. Crown will continue to utilize existing haul roads in the County disturbed area without assuming reclamation responsibility until which time as the county completes reclamation of the disturbed areas within Section 30. When the County completes reclamation in Section 30 Crown shall have the right to add access, as needed within Section 30, to its Reclamation plan.

Crown is responsible to perform reclamation activities as required by the NOI for mining operations conducted by Crown in Section 31. Crown also assumes reclamation responsibility for the area within Section 30 that is currently occupied by the Processing Facility. All other reclamation within the previously disturbed areas within Section 30, are the responsibility of the County. (Any areas disturbed in Section 31 after August 1, 1998 that are not a result of Crown's mining operation and for the benefit of Crown shall be the responsibility of the entity creating the disturbance.)

The County shall coordinate any reclamation activities within Section 30 with Crown in such a manner that Crown can continue mining, haulage and processing related activities as per its NOI without disruption by County activity. Uintah County requests that DOGM work with Crown and the County to support long-term backfill operations as depicted within Section 30, in such a manner as to stay the County's reclamation responsibility until the backfill operation is complete.

Agreement
Agreed to thisDay of1999:
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Permit Supervisor
State of Utah
Division of Oil, Gas, and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801 Salt Lake City, UT 84114-5801
Sait Lake City, 01 84114-3801
Commissioner
Commissioner
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Commissioner
Commissioner
Uintah County Commission
152 East 100 North
Vernal, UT 84078
President
Crown Asphalt Corporation
Manager, Crown Asphalt Ridge, LLC
215 South State St, Suite 650
SLC, UT 84111

